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ACTIVITIES OF THE AGING COMMITTEE IN THE 99TH CONGRESS FIRST SESSION

A REPORT

PRESENTED BY

THE CHAIRMAN

OF THE

SELECT COMMITTEE ON AGING HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

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FOREWORD

During the 1st session of the 99th Congress the House Select Committee on Aging participated in a wide range of activities bringing attention to the problems and concerns of older Americans. This report, which describes the various hearings, briefings, reports and other activities of the Committee, will assist Members, their staffs and the public in understanding and responding to the needs and concerns of our Nation's elderly.

EDWARD R. ROYBAL,
Chairman.

CONTENTS

	Page
Foreword	III
Introduction	1
Full Committee Activities:	
Employee Benefits and Income Maintenance and Status	5
Special Populations	7
Health	8
Social Services	14
Employment	16
Housing	17
Subcommittee Activities:	
Subcommittee on Retirement Income and Employment	19
Subcommittee on Health and Long-Term Care	23
Subcommittee on Housing and Consumer Interests	31
Subcommittee on Human Services	37

REPORT ON THE ACTIVITIES IN THE FIRST SESSION OF THE 99TH CONGRESS

INTRODUCTION

The House Select Committee on Aging in its 10th year continues to pursue its mission of examining and recommending solutions to the problems and concerns which confront older Americans.

The Select Committee has jurisdiction:

—To conduct a continuing comprehensive study and review of the problems of the older American, including but not limited to income maintenance, housing, health (including medical research), welfare, employment, education, recreation, and participation in family and community life as self-respecting citizens;

—To study the use of all practical means and methods of encouraging the development of public and private programs and policies which will assist the older American in taking a full part in national life and which will encourage the utilization of the knowledge, skills, special aptitudes, and abilities of older Americans to contribute to a better quality of life for all Americans;

—To develop policies that would encourage the coordination of both governmental and private programs designed to deal with problems of aging; and

—To review any recommendations made by the President or by the White House Conference on Aging, relating to programs or policies affecting older Americans.

The House Select Committee on Aging has played an instrumental role in the Congress' examination of those issues which confront older Americans. Throughout its history the Committee has taken a leading role in raising those critical issues of the day which have a fundamental and pervasive impact on the health, welfare, employment and financial security of our aging population. The Select Committee on Aging is an investigative committee, having no authority to hold hearings on bills and file reports on bills as such. The Committee, however, makes recommendations to appropriate committees of the House on legislative concepts that it has developed through its investigative process. Because of its unique mandate the Committee has the ability to provide oversight, strategic planning, and cooperative efforts on aging issues. The Committee has acted as a catalyst in the development of legislative enactments and the promotion of federal administrative agency initiatives. The Chairman and Members of the Committee have sponsored legislation and appeared before committees of the

House and Senate to urge review of important legislation relating to aging and aging issues.

Part of the Committee's public information process is represented by both national and field hearings conducted by the full and subcommittees of the Committee. These hearings offer Members and their staffs an opportunity to address significant questions of importance to older Americans in such diverse areas as retirement programs, Social Security, Medicare and Medicaid, crime, housing and human services. National hearings of the Committee generally focus on questions which are applicable to the nation's elderly generally. Field hearings of the Committee offer members and their staffs an opportunity to meet constituents and members of the public and determine, through personal contact and discussion, the needs and problems of older persons on the particular subject matter of that field hearing. Committee prints from both national and field hearings enable persons who are affected by the subject matter of these hearings to obtain valuable information concerning that topic and enable Members, their staffs and the general public to monitor the Committee's review and progress on these issues.

In the First Session of the 99th Congress, the Full Committee has conducted: 18 national hearings, 8 field hearings; Subc. 1—Retirement Income and Employment—3 field hearings; Subc. 2—Health and Long-Term Care—6 national hearings, and 2 field hearings, 1 joint hearing with the Taskforce on Social Security and Women and 1 joint hearing with Subc. 3. Subc. 3—Housing and Consumer Interests—3 national hearings, 1 field hearing, and 1 joint hearing with Subc. 2; Subc. 4—Human Services—2 national hearings and 2 field hearings.

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FULL COMMITTEE

Employee Benefits and Income Maintenance and Status

During the 1st session of the 99th Congress, the full Committee engaged in a number of activities supporting the income security and maintenance of older persons derived from private retirement and welfare benefit programs. Generally, employee benefits cover those programs of benefits offered by private employers that provide to employees pension benefits, health and hospitalization benefits, savings programs and other generic welfare benefits. Moreover, the Committee examined and prepared analysis on the impact of certain budget reduction proposals on certain categorical programs and examined the impact of taxation proposals on the provision of employee benefits under the Treasury II tax proposal. The direction of activities during the 1st session of the 99th Congress was to better assure that private benefit programs maintain and, in fact, deliver benefits which are offered to employees under these programs. In this regard, the Committee engaged in certain oversight activities involving the Employee Retirement Income Security Act of 1974 (ERISA).

PLAN TERMINATIONS AND ASSET REVERSIONS

Comprehensive legislation on overfunded pension plan terminations and reversions was introduced as H.R. 2701, "The Plan Termination and Reversion Control Act of 1985." In addition, legislation was introduced to provide for a nine month moratorium on overfunded terminations to enable the Congress to review and hopefully enact substantive legislation to control such terminations, H.R. 3121, "The Pension Plan Reversion Moratorium Act of 1985." Also, a bill which provides controls on the conversion of overfunded defined benefit plans to Employee Stock Ownership Plans (ESOPs), H.R. 3203, "Employee Stock Ownership Plan Improvements Act of 1985," would provide effective controls to allow employees to vote on whether their pension plan could be converted to an ESOP.

The termination of overfunded pension plans allows employers to recover substantial excess assets. However, such terminations represent an opportunity for the loss of retirement security to workers and retirees through the loss of important retirement benefits. Specifically, employees caught in an overfunded termination often lose benefits which were originally promised under the plan. For example, a worker having worked ten years with an employer with another 15 years to work until retirement may reasonably anticipate a promised benefit of $600 a month for life. However, due to an overfunded termination by an employer to recover excess assets, that employee may only receive $250 a month at retirement.

The construction of pension policy with respect to the termination of overfunded pension plans presents a fundamental challenge to what is regarded as the primary purpose of federal policy in this area, to provide a financially secure retirement to a worker. Moreover, the implications for federal tax policy for such terminations present a real possibility of tax abuse. The introduction of so-called "guidelines" by the Administration does not remedy the continuing problem of overfunded terminations nor address the fundamental policy concern of assuring the receipt of promised pension benefits. Present statistics indicate that nearly 700 overfunded plans have been terminated or are in the process of termination by enabling employers to recapture over $9.4 billion in excess assets from 1980 to 1985. In excess of 1 million workers have been affected by this trend of terminations.

The committee conducted a joint hearing on overfunded pension plans with the Labor-Management Relations Subcommittee on June 12, 1985. If possible, further hearings will be held with the appropriate jurisdictional committees on this issue.

PENSION ACCRUAL AFTER AGE 65

The Committee has for some time focused attention on the plight of those workers who continue in employment after age 65 but who no longer receive any additional accruals for their pension from this continued employment. In this regard, H.R. 2700, The Older Workers Pension Rights Protection Act of 1985, was introduced to provide continuing pension contributions for persons who continue to work at and beyond the normal retirement age (usually age 65) specified in the plan. In addition, the bill would provide that persons who are within 5 years of normal retirement age must be allowed to commence participation in the plan. The Committee will continue to work with the relevant jurisdictional committees to enact legislation to provide continuing accruals for older workers under their pension plans.

INCOME ANALYSIS

A primary Committee responsibility is the analysis of data and dissemination of information concerning the sources of income for the elderly and the impact of Congressional activity on retirement income receipt. Though the media frequently stereotype Older Americans as having resources exceeding those of the population as a whole, in reality the elderly population is thoroughly heterogeneous. The principal consequence of this fact is that changes in the Federal budget or income tax system can have a significant adverse impact on low and moderate income Older Americans.

For much of 1985 the attention of Congress was focused first on the President's tax reform proposal, and then on the efforts of the House Committee on Ways and Means to draft and report a tax reform bill. Because the intention of the Committee was to draft a bill which would raise an equivalent amount of total Federal revenues as the current tax system—rather than one which would have a neutral impact on the tax liabilities of individual families and corporations—the bill was shaped as much by revenue and impact considerations as it was by general reform objectives.

An analysis of the impact of tax reform proposals on Older Americans was prepared for Members of Congress by Committee staff. In summary, the analysis concluded that a majority of elderly households do not currently pay taxes, and would not be impacted by tax reform at all; however, those who did pay taxes were at high risk of being "net tax losers," with any positive impact generally limited to smaller gains than those experienced by younger taxpayers. This analysis is ongoing and will continue to be updated as the tax reform initiative proceeds from the House to the Senate.

A second area of concern for the Committee has been the impact on the elderly of the proposed changes in the budget process, designed to balance the Federal budget by fiscal year 1991. Federal low-income programs, such as the supplemental security income program (SSI), provide valuable income supplements to Older Americans who live in or near poverty conditions. The Committee's continuing analysis helps quantify potential program reductions, compared to current law levels of across-the-board budget cuts triggered by the failure to meet deficit reduction targets for each of the next five fiscal years.

INFORMATIONAL SERVICES AND SUPPORT

Committee staff in the Employee Benefits Income Maintenance Area provide a wide array of information, consultations, briefing and other informational services to members and their staffs concerning private pension and welfare benefit programs, civil service retirement programs, railroad retirement programs, categorical income maintenance programs and generally provide technical assistance in the drafting of bills, development of memoranda and other services needed by member offices.

Special Populations

Since June of 1985, the Committee has focused in the following activities dealing with special populations (including women, racial and ethnic minorities, the deaf, the blind) relating to programs in health, human and social services, housing and income maintenance.

HEARINGS/FORUMS/MEETINGS

On September 27, a Braintrust Workshop on Aging was held in conjunction with the Congressional Black Caucus. The Aging Braintrust was held as a hearing entitled, "Black Elderly in Poverty." The purpose of this hearing was to discuss the problems facing our Black elderly in housing, income maintenance, health, and social needs.

On October 1, the Committee held a hearing entitled: "Dying with Dignity: Difficult Times, Difficult Choices." The hearing examined the plight of terminally ill people and their families and reviewed the options for retaining decisionmaking control by the terminally ill persons or their designee. This hearing was a joint project of the health unit group and the special populations unit.

The Chairman released a study entitled, "Dying with Dignity: Difficult Times, Difficult Choices." The study focuses on people

with terminal illness and their rights to have or refuse medical treatment and the impact of legal barriers and cost pressures on those decisions. As a result of this hearing, legislation is being developed.

A meeting was convened of researchers and public officials from U.S. and international organizations to determine the need for improved cross-national data and research on health and long term care for the aged. Among the agencies represented were the National Institute on Aging, the Health Care Financing Administration, the Census, the National Center for Health Statistics, the National Center for Health Services Research, the National Academy of Sciences, the World Health Organization, the Pan American Health Organization, and the International Federation on Aging. The funding of participants is being summarized for possible distribution.

Staff served as panelist on a panel regarding Puerto Rican/Hispanic elderly at the Association of Puerto Rican Executive Directors Second Conference on December 4. The Association is concerned about seeing policies implemented that would focus attention on funding programs targeted to the Hispanic elderly proportionate to need rather than numbers, a redefinition of aging conforming to biological realities, and the Hispanic high level of poverty as well as their shorter life span.

STUDIES

—Income comparison between racial and ethnic minorities
—Health care problems facing elderly women (including osteoporosis)
—Dual discrimination of older women and minority and ethnic groups

OTHER CONCERNS

—Involvement and participation in entitlement and services programs
—Employment: special population representation in employment (bilingual staff, affirmative action)
—Grants and Contracts: special population representation among grantee and contractors (outreach to those organzations)
—Services: (monitoring and evaluation, technical assistance, barriers to special population participation, outreach efforts)

HEALTH

Over this past year, the Health Group of the House Select Committee on Aging engaged in the following health related activites: Alzheimer's legislation, federal health budget cuts, the Gramm-Rudman-Hollings Amendment, the rising Medicare deductible, limits on home health reimbursement, the proposed elimination of waiver of liability, the cost versus quality debate, early hospital discharge under Medicare, reduced access to post-hospital care, the rights of the terminally ill, rising health care costs for the elderly, the financial risk of long term care, long term care legislation, national health plan legislation, health care needs of special popula-

tions, health care for aged veterans, cross-national research, multigenerational equity, and other issues.

HEARINGS/FORUMS

A hearing entitled "Long Term Care and the Elderly" was held in New Orleans, Louisiana on January 25th. The hearing was held in collaboration with Tulane University and the Louisiana Office of Elder Affairs.

A Washington hearing entitled "Sustaining Quality Health Care under Cost Containment" was held on February 26th. The hearing was co-sponsored by the Task Force on Rural Elderly. As a result of this hearing, the Quality Assurance Reform Act (H.R. 1970) was developed and introduced.

A joint Washington hearing (April 23rd) on "The Aging Veteran" was held with the House Veterans Subcommittee on Hospitals and Health Care. Chairman Roybal wrote to Stockman regarding DHHS' refusal to present testimony at the joint hearing and requesting information on the proposed means test for older veterans. Analyses were requested of the VA, DHHS and CBO on the impact of proposed changes in veteran eligibility on veteran out-of-pocket costs and on the cost shift to Medicare and contributed to the debate over legislation to means test veterans health care.

A Washington hearing entitled "Caring for America's Alzheimer's Victims" was held on May 21st in cooperation with the Alzheimer's Disease and Related Disorders Association. The hearing examined the current needs for additional funding in the area of Alzheimer's disease and related disorders and legislation (for example, the Comprehensive Alzheimer's Assistance, Research and Education (CARE) Act—H.R. 2280) for beginning to meet those needs.

A Washington hearing on "Long Term Care in America: the People's Call for Federal Action" was held on June 4th in cooperation with the Close Up Foundation. The hearing included a live telephone call-in segment and was televised live by C-Span.

A field hearing on "Medicare and Medicaid Reform: Protecting the Aged and Indigent in Texas" was held in El Paso on July 2nd.

A Washington hearing on the impact of cost containment on long term care and community services, "Health Care Cost Containment—Are America's Aged Protected?" was held on July 9th. At the request of the Chairman, two sets of data were provided by the organizations representing nursing homes and home health agencies. In conjunction with the hearing, a letter was sent by the Chairman to Secretary Heckler requesting information on the rationale and impact of restrictive Administration policies governing long term care services under Medicare and Medicaid. As a result, work has begun with provider and consumer organizations to develop needed legislative reforms.

A New York field hearing, "Continuing Care: International Prototypes for America's Aged," was held on July 15th in conjunction with International Congress of Gerontology. Meetings were also held at the Congress with experts in international health regarding the need for comparative data and research cross-nationally on the aged, particularly those of Pan American countries.

A Washington hearing and "bittersweet" ceremony on "The Twentieth Anniversary Of Medicare and Medicaid: Americans Still at Risk" were held on July 30th. The hearing examined the accomplishments of Medicare and Medicaid as well as the unfinished agenda for uninsured and underinsured Americans. A primary focus was the elderly's high financial risk due to their need for long term care. A report on this topic was also released at the hearing. Immediately preceding the hearing, there was a 20th anniversary commemoration ceremony cosponsored by the Speaker's Office and the Leadership Council of Aging Organizations. There was also a breakfast sponsored by the American Association of Retired Persons and co-hosted by the Committee.

The Committee held a hearing, "Dying with Dignity: Difficult Times, Difficult Choices," on October 1st which examined the plight of terminally ill people and their families and reviewed options for retaining decisionmaking control by the terminally ill person or his/her designee. The first phase of a study of the issues surrounding dying patients has been completed and was released in the Chairman's report, "Dying with Dignity: Difficult Times, Difficult Choices." The study focuses on their rights to have or refuse medical treatment and the impact of legal barriers and cost pressures on those decisions. This was a joint project of the health unit and the special populations unit. As a result of this hearing, legislation is being developed.

A public forum was held on November 20th on the multi-generational impact of aging policies across the age spectrum and needed reforms to protect the aged and their families. The forum was held in conjunction with the Gerontological Health Section of the American Public Health Association (APHA) at APHA's annual meeting. Two reports were released at the forum: an impact analysis of Gramm-Rudman and a purview of a report on intergenerational equity to be released by the Gerontological Society of America in early 1986. Proceedings of the forum will be released as a Committee print.

LEGISLATION

Health staff coordinated the background work in preparation for the Chairman's response to the President's 1986–88 budget, "The President's 1986 Budget: An Assault on America's Aged and Poor." Also, staff acted as liaison with the Leadership Council of Aging Organizations' effort to respond to the President's budget. An analysis of the health related budget proposals by the House, the Senate and the Administration was done. The Chairman advocated a budget package that would protect the aged by limiting increases in the elderly's out-of-pocket costs and preserving program benefits.

Chairman Roybal introduced H. Con. Res. 39 (88 cosponsors) which opposes any Medicare or Medicaid cuts which increase health care costs for the elderly and poor.

The Quality Assurance Reform Act of 1985 (QUARA)—H.R. 1970—was introduced. The bill builds upon the current Medicare program of Peer Review Organizations and makes improvements such as increased consumer input, a greater emphasis on quality assurance (the current emphasis is on cost containment), and inclu-

sion of non-hospital providers. The Ways and Means Committee is being asked to move on specific provisions of H.R. 1970.

The Alzheimer's Disease and Related Disorders Association and the Committee continue to push the Comprehensive Alzheimer's Assistance, Research and Education Act (CARE)—H.R. 2280—which would establish a National Alzheimer's Education Program, fund a series of State Alzheimer's Programs (including some funding of respite care), expand research on Alzheimer's disease (causes, diagnosis, treatment, care) and conduct Alzheimer's research on Medicare and Medicaid. There are 86 co-sponsors on the bill. Senator Pressler has introduced a companion bill in the Senate.

Proposed language and changes were included in the Appropriations bill of the Subcommittee on Labor, Health and Human Services and Education which was signed into law by the President on December 12th. Areas covered include Alzheimer's research, Medicare and Medicaid research and demonstrations, health maintenance organizations, AoA Long Term Care Research Centers, programs for the elderly blind, and cooperative projects between Administration on Aging and the Veterans Administration.

As a follow-up to the July 30th hearing, the Chairman sent a letter to Chairman Gray of the Budget Committee calling upon him and the House conferees to not accept any proposal that would raise the elderly's out-of-pocket health care costs. As a follow-up to the actions of the conferees, the Chairman issued a press release commending the conferees for not acting to raise elderly out-of-pocket costs.

Health staff, in conjunction with other Committee staff, have been conducting analyses of the Gramm-Rudman balanced budget amendment as to how it would work and what its impact would be on the elderly and poor. As a result of these analyses, the Committee has sent out press releases describing: 1) the source of the deficit problem and 2) documenting the impact that Gramm-Rudman would have on the elderly and poor. The Committee also distributed copies of an updated analysis to members of the Aging Committee and to attendees at the annual meeting of the American Public Health Association.

The Committee continues to push the Chairman's Medicare Fair Hospital Deductible Act of 1985—H.R. 3630. This bill limits increases in the hospital deductible and nursing home coinsurance to no more than the lesser of increases in Medicare's DRG payments or Social Security's COLA (an indicator of the elderly's ability to pay for health care), reduce nursing home coinsurance from ⅛th of the hospital deductible to 1/12th, and extend full nursing home coverage by 5 days. These changes are paid for by increasing the cigarette excise tax by 8 cents, indexed to the Consumer Price Index, and earmarked for the Medicare Hospital Trust Fund. The bill has 44 cosponsors.

Legislative work begun in 1985 and to be completed in 1986 includes:

—Legislative reforms under Medicare to correct problems of access identified through the July 9th hearing on cost containment and long term care.

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—Legislative reforms to Medicare and Medicaid for containing health care costs and for improving access and quality to the poor and elderly.
—Legislative proposals for national health insurance or national health plans as a means to contain costs while improving access and maintaining quality.
—Legislation to provide assistance to the terminally ill.

OVERSIGHT

The Committee continues to monitor the impact of cost containment on the quality and accessibility of health care for Medicare beneficiaries. Special attention is being focused on the issues of 1. early hospital discharge and 2. limits on access to nursing home and home health services. A substantial amount of activity is targeted toward educating the press and the public.

The IOM study and HCFA activities regarding nursing home regulations and quality continue to be tracked. Chairman Roybal cosigned a letter with Waxman to HCFA urging that the findings of the National Citizens' Coalition on Nursing Home Reform's survey of nursing home residents be factored into IOM's study.

The Administration's efforts to drop waiver of liability, set cost limits on home health reimbursement rates, impose additional reporting requirements under the Medicaid 2176 waiver program, and limit state flexibility in setting criteria for Medicaid eligibility and disposition of property under Medicaid continue to be monitored. The Chairman has requested quarterly updates from HCFA on the impact of such cost containment measures on beneficiary access.

The Committee continues to monitor Administration and Congressional activity on interactive policies of DHHS and the Veterans Administration.

A meeting was convened of researchers and public officials from U.S. and international organizations to determine the need for improved cross-national data and research on health and long term care for the aged. Agencies represented included: NIA, HCFA, Census, NCHS, NCHSR, National Academy of Sciences, WHO, PAHO, and International Federation on Aging. Results are being drafted for possible distribution.

STUDIES

At the July 30th meeting, two studies were released by the Committee:

1. An out-of-pocket cost study conducted by Committee staff showing the growth in the elderly's out-of-pocket costs now and into the future.

2. A study requested by the Chairman and conducted by Harvard Medical School and Blue Cross/Blue Shield of Massachusetts, showing how fast the elderly would impoverish themselves if long term care services were needed.

A study was begun of the special health related problems facing special populations including minorities, women, the deaf, the blind, the disabled. Formal and informal consultations have begun with various minority groups.

A study of changes in the health and long term care marketplace was made. The two-part study covers issues of ownership, for-profit/not-for-profit, HMOs, corporatization, mergers, horizontal & vertical integration, and service alternatives.

MEETINGS

Staff participated in a series of meetings dealing with a range of health care issues:

—Gave speech on the need for geriatric and gerontological training at the National Invitational Conference on Geriatric Education.

—Gave speech at Tulane University conference "Meeting the Needs of the Elderly: Housing and Health Care in Perspective" on the need for an American health plan as a way to resolve the cost versus needs conflict.

—Gave speech at California Commission on Aging's "Conference on Health Care in America" on the need for an American health plan as a way to resolve the cost versus needs conflict.

—Presided over session on private Medigap and Long Term Care Insurance at Northern Virginia Aging Conference in conjunction with AARP and the Virginia Bureau of Insurance.

—Made separate presentations in July before the American Federation of Home Health Agencies and the American Association of Homes for the Aged on regulatory and legislative initiatives in long term care.

—Gave speech at National Institute on Aging reception honoring the 10th Anniversary of the Institute.

—Served as panelist on VA/non-VA systems coordination at New Jersey Aging Conference in September.

—Served on panel at session on emerging issues and legislation in home health care at the annual meeting of the American Association of Homes for the Aged on November 6th.

—Participated in a legislative roundtable at the annual meeting of the American Public Health Association on November 18th.

—Conducted a session on current issues in aging as part of the annual meeting of the Gerontological Society of America on November 26th in New Orleans.

—Presided and served on panel regarding VA/non-VA cost transfers at Baltimore Conference cosponsored by the American Health Planning Association and the Veterans Administration on December 16th.

PRESS

The Committee worked with the media and received coverage on a range of issues including Alzheimer's, federal health budget cuts, the Gramm-Rudman-Hollings Amendment, the rising Medicare deductible, limits on home health reimbursement, the cost versus quality debate, early hospital discharge under Medicare, reduced access to post-hospital care, the financial risk of long term care, the rights of the terminally ill, rising health care costs for the elderly, and other issues.

TECHNICAL ASSISTANCE

Technical assistance and information was provided to the staff of many Representatives, Senators, Congressional Committees, federal and state agencies, aging organizations, and health institutions, as well as to constituents.

STAFF

Two new staff were hired to cover health issues: Nancy Smith, Professional Staff, and Carolyn Griffith, Staff Assistant. Assistance on health issues was also provided by interns from WREI, Andrus Center, Harvard University, Hispanic Caucus, and Boston University.

Social Services

During the first session of the 99th Congress, the full Committee actively sought to ensure that social service programs are adequately responsive to the needs and characteristics of vulnerable and low income older Americans. Primary areas of focus included: the Older Americans Act programs; Community Service Block Grants; Social Service Block Grants; food stamps and other nutrition programs; the needs of the visually impaired elderly; crimes against the elderly; intergenerational programs; low income energy and weatherization assistance; the Older American Volunteer Programs; and legal services.

FOOD STAMPS

Although the food stamp program is not usually identified as an elderly nutrition program, its benefits are an important deterrent against malnutrition which afflicts as many as 50 percent of older Americans with low annual incomes. Almost 20 percent of all food stamp households have at least one elderly member, making the food stamp program the nation's largest elderly nutrition program.

Despite being a cost-effective means of providing better nourishment for many aged poor, information gathered by the Committee has indicated that there are substantial numbers of needy older Americans who do not receive food stamps. Presently, only approximately 23 percent of elderly households with annual incomes below 125 percent of the poverty level receive such assistance, with one-third only getting the minimum $10 monthly benefit.

On June 17, 1985, Chairman Roybal introduced H.R. 2778, the "Older Americans Food Stamp Reform Act of 1985," to make the program more responsive and accessible to low income elderly and disabled Americans. Many of the provisions of H.R. 2778 were subsequently incorporated into the 1985 omnibus farm bill, H.R. 2100.

BLINDNESS AND THE ELDERLY

On April 26, 1985, the Committee held a hearing on the needs of this country's four and a half million seniors who are blind or severely visually impaired. The purpose of the hearing was to examine the special concerns of these older Americans and to evaluate

the effectiveness of existing progams which may assist them to live more independently.

Testimony indicated that there is a substantial need for outreach services. Without appropriate training and assistance, visually impaired individuals often lose their independence and become more vulnerable to further disabilities from falls or injuries. Many others are inappropriately placed in nursing homes due to a lack of available alternatives. Yet, model programs do exist which have clearly demonstrated that it is possible to train senior citizens who are blind or visually impired to live independently in spite of their vision loss. Funding was subsequently provided under the Labor/HHS Appropriations bill to further assist visually impaired individuals.

CRIME

On October 22, 1985, the Committee conducted a hearing on crimes against the elderly. The hearing's purpose was to examine how the elderly are affected by violent and other crimes, how they may protect themselves from being victims of crime, and what state, federal and local authorities are doing to protect older individuals.

Testimony at the hearing suggested that although the elderly are not disproportionately the victims of crime, the impact of crime against older persons is greater than for the general population. Research cited by expert witnesses indicated that elderly crime victims often take longer, both physically and emotionally, to recover from violent crimes. In addition, crime victims who must undergo hospital or other medical treatment may exhaust their financial resources and sacrifice employment in attempting to recover from their injuries. For many others, the fear of crime often severely alters their life-styles.

Chairman Roybal and Ranking Minority Member Rinaldo cosponsored legislation which would provide for a cabinet level office in the Department of Justice to coordinate crime fighting efforts involving elderly citizens (H.R. 3120), the Elderly Crime Prevention and Victim Assistance Act of 1985.

INTERGENERATIONAL EDUCATION

On March 19, 1985, Chairman Roybal and 41 original cosponsors introduced H.R. 1587, "The Intergenerational Education Volunteer Network Act of 1985." The purpose of the bill is to establish intergenerational education programs and provide opportunities for senior citizens aged 60 and over to work directly with educationally disadvantaged children. Senior citizens would spend most of their time in classrooms providing services to students in small groups or on a one-on-one basis, with the remainder of their time being spent as liaisons to the parents or legal guardians of the children in order to increase the participation of families in the education process. A companion bill was introduced in the Senate by Senator Carl Levin.

EMPLOYMENT

During the first session of the 99th Congress, the Committee continued its leadership role in undertaking oversight activities and initiating legislative proposals designed to maximize employment opportunities for older Americans. Major areas of focus included: the problems experienced by displaced and disadvantaged older workers; age discrimination; mandatory retirement; job training; alternative work opportunities; and federally mandated programs such as the Job Training Partnership Act and the Senior Community Service Employment Program. The Committee's primary objective was to work toward eliminating the many significant obstacles to older worker employment.

DISPLACED OLDER WORKERS

On July 24, 1985, the Committee convened a hearing to examine the serious problems experienced by displaced older workers who face sudden and unwanted retirement through no fault of their own due to plant closing, the decline of numerous industries, and other labor market problems. The hearing's purpose was to examine the effects of these labor market problems on older workers, their families and entire communities, and to examine alternatives which will help to provide more coordinated and effective national employment and training policies.

Over five million workers lost their jobs due to the decline of an industry or plant closing between 1979 and 1984. This tragedy is heightened by testimony which revealed that once older workers lose their jobs, they stay unemployed longer than younger workers, earn less in subsequent employment, have limited access to training programs, and often become so discouraged that they give up looking for work entirely. Fully three out of five displaced workers aged 55–64, and four out of five workers over age 65 were unable to become reemployed. Of those who did find a job, almost half worked at jobs that paid less than their previous position. Information gathered at the hearing will help to form the basis for examining policy alternatives during the second session.

AGE DISCRIMINATION/MANDATORY RETIREMENT

Despite a recent Harris poll which revealed that 90% of Americans believe employees should be judged on individual ability rather than age, many Americans still face age discrimination and mandatory retirement. In the 99th Congress, H.R. 522 has been introduced which proposes to remove the age 70 mandatory retirement age. Additionally, certain agencies of the Federal government are allowed to practice age discrimination by setting arbitrary age limits for hiring and firing. To examine this issue more closely, the Chairman released a report with assistance of staff from the Equal Employment Opportunity Commission, entitled "The Myths and Realities of Age Limits for Law Enforcement and Firefighting Personnel." On March 25, 1985, Chairman Roybal introduced H.R. 1710, the "Federal Employee Age Discrimination Amendments of 1985," which seeks to remove maximum hiring ages and mandato-

ry retirement ages for selected Federal employees not currently covered by the ADEA.

MANDATORY RETIREMENT OF AIRLINE PILOTS

On October 17, 1985, the Committee conducted a hearing on the Federal Aviation Administration's "Age 60 Rule" which requires that any commercial airline pilot who reaches age 60 must retire, despite the good physical health and competence of that pilot. Testimony indicated that improvements in medical technology and testing provide a number of methods to determine whether both older and younger pilots are capable of retaining their flight responsibilities at and after the age of 60. Moreover, several medical experts from the fields of cardiology, mental and physiological preparation and simulation testing indicated that a "protocol" could be developed to test pilots so as to determine their capability and competence to remain in the cockpit after age 60.

Preparations are being made to develop such a medical and psychological protocol which will be submitted to the FAA for review for possible amendment to the Age 60 rule. In addition, legislation is being prepared which would modify the Age 60 rule to provide a new testing regime to enable older pilots to retain their flight responsibilities, but would impose new and more rigorous standards on all pilots.

PENSION ACCRUAL AFTER AGE 65

One policy which limits older worker employment opportunities is the practice of allowing employers to stop pension contributions for their employees over age 65, resulting in the denial of full pension benefits for many older workers. This policy not only creates a serious disincentive for older workers to remain in the workforce despite their ability and willingness to do so, but it is both discriminatory and contrary to the purposes of the ADEA since the law currently protects individuals until age 70 in all other terms and conditions of employment. On June 6, Chairman Roybal introduced H.R. 2700, legislation which seeks to amend the Employee Retirement Income Security Act so that employers are required to continue pension contributions for workers beyond age 65.

HOUSING

During the 99th Congress, the Committee continued its oversight responsibility of examining the adequacy of housing and living arrangements to meet the characteristics and needs of older Americans. Major areas of focus included: low income housing needs in relation to the proposed FY86 budget; alternative living arrangements for frail and semi-independent elderly; oversight of regulations for the Section 8, Section 202, and other Federal housing programs; home equity conversion; life care communities; shared housing living arrangements; and the housing characteristics of minority populations.

HOUSING NEEDS OF LOW INCOME ELDERLY

The President's FY86 budget proposed a two year moratorium on HUD-assisted housing and the elimination of the Farmers Home Administration. The Committee prepared an analysis of these proposals in relation to the housing needs of low income older Americans and recent cuts in federal housing assistance. Despite data which indicate that more than two out of five elderly living below the poverty level pay approximately half of their incomes for housing, and waiting lists to get into federally subsidized housing which stretch for more than five years in many places, federal housing assistance has been cut by two-thirds over the past four years. The Chairman sent letters to the appropriate legislative Committees outlining the impact of the proposals on low income older Americans.

CONGREGATE HOUSING SERVICES PROGRAM (CHSP)

The CHSP is a HUD-funded residential environment which includes services that are required to assist impaired, but not ill, elderly tenants to maintain or return to a semi-independent life-style and avoid institutionalization as they grow older. The Chairman gathered background information on 41 CHSP projects whose funding was due to expire in FY86 and prepared information for the Appropriations Committee outlining his concern that over 1,100 frail elderly would lose essential federal housing and support service assistance. Funding was eventually provided to continue all existing projects through FY86.

SHARED HOUSING

Shared housing is defined as a living arrangement in which unrelated individuals share common areas such as a kitchen or living room, but maintain a private living area such as a bedroom. Earlier testimony before the Committee indicated that elderly or disabled individuals who do not share housing, but who are eligible to receive food stamp benefits, Supplemental Security Income, and a one time exclusion on the sale of a home, often lose part or all of these benefits when they move into a shared housing arrangement. If the security, companionship, and mutual support of this cost-effective living arrangement is to reach its potential for meeting the needs of many low income older Americans, these severe disincentives need to be removed. Consequently, in January, the Chairman introduced H.R. 432, H.R. 433, and H.R. 434, legislation designed to prohibit the loss of benefits for elderly or disabled persons who choose to live in an intergenerational shared housing arrangement.

SUBCOMMITTEE ACTIVITIES DURING THE 99TH CONGRESS, FIRST SESSION

Subcommittee on Retirement Income and Employment

The Subcommittee on Retirement Income and Employment is charged with oversight responsibility for all governmental and non-governmental programs which affect the financial well-being of older Americans.

The Subcommittee's jurisdiction includes the financing, benefit structure and administration of all governmental income maintenance programs such as Social Security, Supplemental Security Income, Veterans payments, Unemployment Insurance, and Railroad Retirement. It also includes all private and public employer/employee retirement income programs such as private pensions, Civil Service Retirement, Keoghs, and Individual Retirement Accounts. Public employment programs, such as Title V of the Older Americans Act and private employment issues such as age discrimination, fall within the Subcommittee's jurisdiction.

Other issues which pertain to the Subcommittee are federal tax policy, private insurance products, pre-retirement planning, wealth accumulation, and the economic status of the aged including their relative income levels and spending patterns.

Subcommittee activities have included: Washington and non-Washington hearings; issuance of special reports and/or information packages of both a formal and informal nature; development of alternative policies and legislation for the Chairman and other members; and, coordination of activities with other Committees and outside organizations.

The Subcommittee focused its activities on the impact of legislative and administrative changes in Social Security programs. The Subcommittee provided complete staff support for six Washington and field hearings held under the auspices of the Full Committee, and for three field hearings held under its own auspices. Staff also coordinated their analysis of the President's budget and other special reports with the Full Committee.

The Subcommittee focused on activities to: 1) protect Social Security beneficiaries from COLA freezes and other reductions by showing that there has been a series of benefit reductions since 1977 and by showing that Social Security is not a cause of the deficit; 2) demonstrate the need to reform the Social Security tax structure to reduce the tax burden on low and moderate income workers; 3) protect the integrity of the Social Security Administration by working to re-establish it as an independent agency, and by demonstrating that proposed cuts in staff and local field offices will harm services to the public; 4) correct inequities of recent legislation (e.g. the notch and the taxation of benefits); 5) provide information to senior

citizens on changes in the tax structure through distribution of the tax guide.

SOCIAL SECURITY: INDEPENDENT AGENCY AND OFF-BUDGET

H.R. 5904, the Chairman's bill in the 98th Congress to create a board governed independent agency, was the prototype for all independent agency legislation pending in the House and Senate in the 99th Congress.

The Subcommittee worked with the Ways and Means Committee to draft a consensus bill, H.R. 825, introduced by the Chairman and bipartisan leaders of the Ways and Means Committee. The Subcommittee coordinated the efforts of outside groups to develop strategies to move the legislation through the process and incorporate the proposal to remove Social Security from the unified budget.

The Subcommittee provided full staff support for a September hearing, "Back to Basics: Social Security Off-Budget and Independent," held under the auspices of the Full Committee. In October, the Ways and Means Subcommittee on Social Security unanimously reported out a clean bill, H.R. 3470, that makes Social Security an independent agency and removes it from the unified budget. H.R. 3470's original cosponsors included 22 of 36 Ways and Means Committee members.

REDUCTIONS IN SSA'S ADMINISTRATIVE BUDGET

The President's FY '86 budget sought a 21 percent cut in Social Security staff by 1990, which could result in the closing of hundreds of local Social Security offices. Based on an analysis of a SSA Draft Service Delivery Methodology, the Chairman distributed a list of 770 of the 1340 Social Security field offices which could be closed or downgraded. Under further examination, the Subcommittee discovered and publicized SSA plans to close 14 local offices by December 31, 1985, a five-fold increase over the average closings of the past four years. Thirteen of the fourteen offices were on the Chairman's list of vulnerable offices.

The Chairman and Congressman Manton worked closely to introduce H. Res. 219, expressing the sense of the House opposition to office closings. The Subcommittee also worked with the Post Office and Civil Service's Subcommittee on Civil Service to pass H.R. 2401, The Field Office Justification Act. Other activities included press conferences, analyses of historical trends in staffing and office closings, and development of legislative strategies to protect beneficiary services.

The Subcommittee provided staffing for the Chairman at the Appropriations Committee, and coordinated activities with the relevant Committees and outside groups. The Chairman's efforts at the Appropriations Committee led to the inclusion of funds in the Labor-HHS Appropriations bill to support an employment level of 1,000 above the President's request and report language that office closings will not exceed historical averages.

A FAIR AND COMPLETE TAX FOR SOCIAL SECURITY

More than one-fourth of working Americans pay more in Social Security/Medicare taxes than in income tax, yet none of the tax reform proposals considered the effects of the Social Security tax burden on working Americans.

The Chairman introduced H.R. 2471, a Fair and Complete Tax for Social Security (FACTSS), which reduces the total Federal tax burden for nine out of ten workers and better insures the long run solvency of the Social Security system. The Subcommittee provided background briefings on this plan to Committee members' staff, aging and business organizations and media representatives.

The Subcommittee staffed an April 15th hearing, "Taxes, Social Security, and the Deficit," held under the auspices of the Full Committee.

INCOME TAXES AND SOCIAL SECURITY

The 1984 Tax Guide for Older Americans was disseminated to tens of thousands of individuals and organizations, and due to the increased demand, the House passed H. Res. 90 which authorized the reprinting of an additional 12,000 copies.

The Subcommittee, working with the Internal Revenue Service, the Railroad Retirement Board, and the Social Security Administration, analyzed the effects of the taxation of benefits and found that hundreds of thousands of individuals unknowingly owed additional income taxes of $1,000 or more for 1984 due to the new law. The Chairman requested, and the IRS granted, a "class action" waiver for all Social Security beneficiaries who would, or otherwise could, have been penalized for underpayment of income taxes due to the taxation of benefits.

SOCIAL SECURITY BENEFIT LEVELS: THE NOTCH

The Chairman, working with the nine other members who had sponsored legislation in the 98th Congress, introduced H.R. 1917, a comprehensive, bipartisan, approach to the Notch problem. H.R. 1917 had over 70 original cosponsors and currently has over 110.

The Chairman held two notch hearings, in New York and in Washington D.C., titled, "Reduction in Social Security Benefit Levels: The Notch". The Subcommittee continued to inform the Congress and the public on the effect of the reduction in benefit levels due to the 1977 transition formula, known as the Notch. The Subcommittee also disseminated information concerning the Notch through letters to the editor, and mailings including distribution of a legislative analysis by the American Enterprise Institute to all Members of Congress.

SOCIAL SECURITY COLA

The Subcommittee worked to protect beneficiaries from COLA freezes and other reductions. The Chairman introduced H. Res. 31, a bill opposing any changes or law which would freeze COLAs for beneficiaries under the Social Security Act. The Chairman held a hearing, "Potential Impact of COLA Cut on New York Social Secu-

rity Beneficiaries," staffed by the Subcommittee and under the auspices of the Full Committee.

The Subcommittee provided technical expertise to Congress, including an analysis to Budget Committee Members of the Senate proposal to delay the COLA every other year. The House Majority Leader used the analysis during the budget Conference Committee to demonstrate the amount of benefit reductions the average beneficiary will suffer in 1987. The proposal was not enacted.

DISABILITY

The Subcommittee began oversight of the implementation of the Disability Benefits Reform Act of 1984 which corrected many of the abuses in the continuing disability review process as advocated by the Committee during the 98th Congress. Through contact with the states and the Social Security Administration, and in testimony to both the Judiciary Subcommittee on Administrative Law and Governmental Relations and the Ways and Means Subcommittee on Social Security, the Chairman informed Congress and the public of problems associated with implementation of the medical improvement standard and the SSA policy of non-acquiesence to court orders.

A Boston field hearing "Government Representatives: Advocates or Adversaries" chaired by Congressman Barney Frank, held under the auspices of the Full Committee, was staffed by the Subcommittee. The Chairman, with other Members, sent letters to SSA Acting Commissioner McSteen expressing concern over the project and staff was briefed on the project by the SSA. The Chairman worked very closely with Subcommittee member, Congressman Rick Boucher, who introduced the first bill, H.R. 3854, to abolish the project.

SUBCOMMITTEE ON HEALTH AND LONG-TERM CARE

The Subcommittee on Health and Long-Term Care, to which 30 Members of the Congress (18 Democrats and 12 Republicans) were appointed at the beginning of the 99th Congress, is responsible for undertaking research, oversight and investigative activities regarding health care problems facing older Americans, including health care programs and health facilities, general health care issues and specific health concerns, health research and developments, health insurance, and health care delivery alternatives, health legislation and the administration of health care programs, among others.

During the course of the first session of the 99th Congress, the Health Subcommittee held 9 hearings (3 field hearings, and 6 hearings in Washington, D.C.); drafted 6 Committee prints; prepared 26 syndicated columns on aging for the Chairman; monitored numerous legislative measures of interest to older Americans; briefed Members of Congress and their staffs on health-related issues; responded to approximately 900 telephone and written requests for information on legislative and administrative actions affecting older Americans on a weekly basis; and drafted numerous Congressional Record statements, press releases and amendments related to timely legislative matters under consideration by the Congress, among numerous other legislative, oversight and research activities. On an ongoing basis, the Subcommittee provided graduates, undergraduates, and working health care professionals with the opportunity to assist in the development of hearings, briefing papers, and reports. These students and working professionals are referred to as "interns," "detailees," and "Congressional fellows," and provide valuable additional assistance to the Subcommittee staff. During the first session of the 99th Congress, the following universities, administrative agencies and foundations were represented on the Subcommittee staff: Duke University, the University of Maryland, the University of Michigan, George Mason University, University of Pennsylvania Medical School, Cornell University, the U.S. Postal Service, and the General Accounting Office, and the Office of the Inspector General of the Department of Health and Human Services.

The following report is an effort to present in greater detail the issues explored by the Subcommittee through various investigative, administrative, legislative, and oversight techniques available to it during the 99th Congress.

HMO'S AND MEDICARE

At the beginning of the first session of the 99th Congress, the Subcommittee undertook an examination into the very promising partnership between the Medicare Program and the health maintenance organizations, HMO's. Recognizing the advantages of HMO's

over the past decade, Congress has encouraged their development and expansion of their availability to the elderly through Medicare. Because of this effort, HMO's have grown in number and membership. Today, there are over 300 HMO's around the Nation with 15 million members. However, only a limited number of senior citizens have been able to take advantage of HMO's by being given the option of replacing their regular Medicare coverge with membership in an HMO.

In order to increase incentives for HMO's to enroll Medicare beneficiaries, Congress included in the Tax Equity and Fiscal Responsibility Act of 1982, a provision changing the way in which Medicare would pay for HMO membership. With the coming expansion of this promising partnership, it is critical that the Congress closely scrutinize what the Government has done and will be doing to ensure its successful management.

A report of the General Accounting Office released early in 1985 documenting serious inadequacies in the Federal Government's current and planned oversight activities related to Medicare-participating HMO's led the Subcommittee to convene a congressional hearing in Washington, D.C. Testimony was received from Medicare beneficiaries enrolled or disenrolled in HMO's, their legal representatives, the GAO, and Administration officials. The Subcommittee found that nearly three-fourths of a million dollars was wasted in overpayments, and that a number of senior citizens were left with unpaid medical bills and denied the care they needed. Although the focus of the hearing and GAO testimony involved information relating to the administration of HMO's in the state of Florida, the Subcommittee found that such problems were not confined to that State alone.

Testimony suggested that steps should be taken to strengthen and improve the administration of HMO's while they are still in their infancy. Legislation was introduced by the Chairman which would simplify the enrollment and disenrollment process and allow seniors to go to their own doctors, without referral or authorization by the HMO. During the first session of the 99th Congress the Congress did approve legislation to speed up the enrollment and disenrollment process.

This hearing coincided with the release of the GAO's interim report relating to the administration of HMO's in southern Florida. It is anticipated that the Subcommittee will convene a hearing to coincide with the release of the GAO's final report.

CRISIS IN HEALTH CARE: THE MISSOURI EXPERIENCE

During the 99th Congress, the Subcommittee was instructed to review the benefit structure and solvency problems facing Medicare and to determine an appropriate federal response. In the latter part of March 1985 the Subcommittee on Health and Long-Term Care convened a hearing on "Crisis in Health Care: The Missouri Experience" at the State Capitol in Jefferson City, Missouri. Previously, hearings on this topic had been held by the Subcommittee during the 98th Congress in California, New York, New Mexico, Texas and Ohio. The conclusion was that our health care system is in a state of crisis.

Testimony revealed that elements of the problem were clear. The United States is confronted with projections that the Medicare Hospital Insurance Fund will be bankrupt within 4 years.

In addition, seniors now spend as much of their income for health care as they were spending in 1965, when Medicare was adopted—approximately 20 percent. Over the last few years, senior direct costs, that is, the Medicare cost sharing and premium benefits, have increased dramatically. The inpatient hospital deductibles and coinsurance amounts under part A have increased about 70 percent since 1980. The part B deductible and premium amounts have increased about 50 percent during the same period.

In Missouri, as in other parts of the country, the Subcommittee heard from witnesses who outlined the dimensions of the health care crisis. The cuts in Medicare have had serious consequences on the health status of many elderly people. Similarly, there are problems in the hospital system, long-term care, home health care, mental health care system, and other programs that affect the elderly.

The Missouri hearing concluded that there is a need to structure a comprehensive continuum of care, a long-term care policy, capable of addressing the preventive, acute and chronic health care needs of our Nation's citizens. The hearing concluded that we need a health care system which provides more service more efficiently and at less cost.

ELDER ABUSE

In 1978, the House Select Committee on Aging undertook the first Congressional examination of elder abuse in the United States. A 1981 report entitled, "Elder Abuse: An Examination of a Hidden Problem" documented the Committee's tragic findings that over 1,000,000 older Americans are physically, financially, and emotionally abused by their relatives or loved ones annually. The Committee also found that elder abuse was a hidden problem. Out of fear or dependence on their abusers, only one of every six elder abuse victims was likely to come to the attention of appropriate authorities. It was recommended that States enact statutes, analogous to State child abuse statutes, designating an agency to identify and assist elder abuse victims. In addition, Congress was urged to enact legislation which would provide financial assistance to those States with elder abuse statutes in place.

Eight years have passed since this landmark investigation began, yet action to effectively address this problem remains elusive. Although the majority of States have enacted elder abuse statutes since 1981, the Congress has not reciprocated in similar fashion.

Spurred by an increasing volume of mail documenting abuse of elders, the Subcommittee on Health and Long-Term Care of the Select Committee on Aging sought to determine the status of elder abuse in the United States. The Subcommittee's findings were incorporated into a report of the Chairman which was released at a hearing convened by the Subcommittee in May 1985. Essentially, the Subcommittee found that elder abuse, a term that did not exist prior to the Committee's 1981 report, has not diminished. In fact, its incidence is increasing, due largely to increased recognition of

the problem. Also, the Subcommittee found that the States are hard pressed to address this horrifying domestic disgrace and the Congress should act immediately to assist the States in preventing, identifying and assisting our Nation's elder abuse victims.

Legislation to assist the States in coming to grips with the problems associated with elder abuse was introduced during the 99th Congress by the Chairman and Members of the Subcommittee.

CATARACT SURGERY: FRAUD, WASTE, AND ABUSE

Cataract surgery is a common operation for persons over the age of 65—for if one lives long enough, one will probably get a cataract and require such surgery. In the United States today, a person living a normal lifespan is more likely to undergo a cataract operation than any other major surgical procedure. Over 15 million older Americans, or roughly 60 percent, show signs of cataracts today. Of this number, over 1 million will seek cataract surgery (at a total cost of over $3.5 billion) in 1985 to correct this disabling and potentially blinding disorder. Fortunately, this operation is almost always dramatically successful.

In 1982, a Congressional inquiry revealed massive fraud, waste, and abuse in the purchase and use of pacemakers in the Medicare program. Investigators uncovered a pervasive, industry-wide practice of kickback schemes, overutilization and profiteering in the pacemaker industry at the expense of Medicare and the taxpayer. During the course of the pacemaker investigation, the Subcommittee learned that such questionable and oftentimes illegal practices were not confined to the pacemaker industry, but existed in the contaract lens industry and other industries as well. The Chairman, therefore, instructed the Subcommittee staff to undertake a thorough investigation of cataract surgery and the use of intraocular lenses (IOL's)—the replacement of choice following cataract surgery—in the United States. The Chairman's report documenting the Subcommittee's findings was released in a hearing held in Washington, D.C. on July 19, 1985. The Subcommittee found that cataract surgery is the most frequently reimbursed major surgical procedure in the Medicare program today. Intraocular lenses (IOL's), the replacement of choice following cataract surgery, will be implanted in 1 million of the 1.2 million people who will have cataract surgery in 1985. The total cost paid for by Medicare will exceed $3 billion. The Subcommittee found that there is reason to question the necessity or validity of half of that total. Fifty cents of every dollar Medicare pays for this procedure is lost to either fraud, waste, or abuse.

Following the hearing and the release of the Chairman's report, the House Ways and Means Committee's Subcommittee on Health convened a hearing to focus on legislative recommendations to curb waste in the performance of cataract surgery. In addition, the CBO undertook an estimate of savings if legislation introduced by the Chairman to correct abuses in Medicare's reimbursement policies relating to cataract surgery were passed by the Congress. The Subcommittee is continuing its investigation into abuses in this area and will convene hearings in the future as findings become available.

RIGHTS OF THE INSTITUTIONALIZED ELDERLY: LOST IN CONFINEMENT

About one out of every nine, or about three million persons over the age of 65 currently reside in our 44,000 nursing homes, board and care type facilities and mental hospitals across the country. The purpose of a hearing held by the Subcommittee on Health was to determine how well the residents of such federally supported institutions are faring.

The hearing, held on September 19, 1985, documented the degree to which older Americans currently residing in our nation's long-term care institutions are denied basic rights. A report of the Subcommittee released at this same hearing revealed that the violation of one or more basic rights is an "everyday fact of life" for many elderly. We were told that in any given year, abuses ranging from life-threatening to inconsequential are frequent occurrences; that four out of every five nursing homes do not have a registered nurse on duty at all times, that the average number of registered nurses is 1 per 100 residents; that unlicensed nursing home aides provide as much as 90 percent of all direct care given to elderly nursing home residents; that the majority of such aides are clearly overworked, ill-educated with little or no nursing experience, and are paid on the average about $3.40 per hour—less than the average McDonald's hamburger worker.

Unfortunately, the Subcommittee found that the Federal government, which pays almost $10 billion of the nation's $33 billion nursing home bill each year and billions more for the board and care of mental hospital residents, does little to protect the rights of its institutionalized elderly.

Witnesses testified to the need for the Congress to require that federal regulations governing nursing home care include a "patients' bill of rights" in its "conditions of participation" in order that violations of abuse can receive the same punitive sanctions available under the law as identical violations receive when they occur in the privacy of home. In addition, facilities should be required to be inspected annually and without notice to a facility.

The Subcommittee continues to monitor the progress relating to a report to be issued by the Administration on the future of nursing home regulation and will convene a hearing to coincide with the issuance of that report during the second session of the 99th Congress.

BREAST CANCER DETECTION: THE NEED FOR A FEDERAL RESPONSE

In 1984, The Subcommittee on Health and Long-Term Care convened a hearing on "Progress in Controlling Breast Cancer." This hearing explored what was known about breast cancer and what might be done to reduce its devastating death toll. The Subcommittee found that if the disease is detected earlier, breast cancer surgery need not be so radical, and that survival rates can be substantially increased—by about 30 percent—saving 10,000 lives annually. In spite of these encouraging Subcommittee findings, the Subcommittee was shocked to learn that death rates associated with breast cancer have not declined in the past 50 years.

In an effort to determine why known early detection technologies have not led to a saving of lives in the United States, the Subcom-

mittee joined the Taskforce on Women to undertake a national review of the problem.

On October 23, 1985, the Subcommittee released the findings of its review in a hearing which featured the testimony of Mrs. Susan Ford Vance—daughter of cancer victim and former first Lady Betty Ford. The testimony revealed that the primary reason why so many women do not receive the benefit of detection of new prevention technologies is directly related to the lack of awareness, the lack of affordability, and the lack of availability of screening and detective procedures.

Witnesses urged the Subcommittee to wage a nationwide campaign to encourage monthly breast self-examination by all women 20 and older, and to convey the news that mammography, administered judiciously, is safe and a valuable diagnostic tool. Just as the introduction of the pap smear has meant a decline in the death rate from uterine cancer by more than 70 percent, an all-out campaign to inform women about developments in breast cancer detection could dramatically reduce the number of breast cancer deaths. In addition, testimony highlighted the need for a nationwide network of community-based cancer detection centers—based on the cost-effective principals employed by leading cancer researchers like Dr. Philip Strax at New York's Guttman Institute. This network could be set up in connection with NCI's 20 Comprehensive Cancer Centers and would begin to offer to women at low or no cost the breast cancer screening that could save their lives. The Chairman was joined by other Members of the Subcommittee in introducing legislation which would accomplish this much needed objective.

ALZHEIMER'S DISEASE: THE PENNSYLVANIA EXPERIENCE

Alzheimer's Disease—a progressive degeneration of the brain cells that control thought—affects 5 percent to 15 percent of the elderly population of the United States (1.2 million to 4 million).

The Subcommittee on Health and Long-Term Care held the first Congressional hearings and issued the first Congressional reports on this devastating disease and its implications for federal policy in 1983. In 1985, the Subcommittee continued its efforts on this subject.

In November of 1985, the Subcommittee held a hearing in Erie, Pennsylvania to further explore the problem of Alzheimer's Disease and its implications for national action. At this hearing, chaired by Congressman Thomas Ridge, the Subcommittee heard from a range of public and private witnesses who gave expert testimony as to the personal, familial, clinical and research problems posed by Alzheimer's disease. These witnesses, who included family members of Alzheimer's victims, representatives of local support groups, representatives of institutional and non-institutional providers of care, and researchers, told the Subcommittee of the ever growing need for financial and emotional support from the Medicare program for these people and limited support for victims of this degenerative disease and their caregivers. As testimony revealed, almost the entire burden of the disease is borne by the victims and their families. There is currently no support from the

Medicare Program for these people and limited support for the costs of nursing home care from Medicaid which necessitates their impoverishment and advanced degeneration.

On January 7, 1985, H.R. 524 (which currently has roughly 160 cosponsors) was introduced to begin to address their growing problem. This bill provides for the establishment of 20 regional centers for the treatment of Alzheimer's disease and similar disorders. The focus of these centers would be the development of cost effective methods of treatment aimed at delaying or avoiding costly institutionalization of Alzheimer's victims. These centers will be responsible for providing a central facility for the diagnosis, evaluation and counseling of patients and families of those afflicted with this disease. They will also develop standards of care, provide training for professionals and nonprofessionals in the diagnosis and treatment of Alzheimer's disease.

ASSESSMENT OF THE IMPACT OF THE IMPLEMENTATION OF THE MEDICARE PROSPECTIVE PAYMENT SYSTEM

The Subcommittee on Health and Long-Term Care conducted a hearing entitled, "Impact of the DRG System in Arizona" on September 14, 1985 in Tucson, Arizona for the purpose of exploring the impact the new Medicare prospective payment system is having on the quality and level of hospital and post hospital care afforded older Americans in Arizona.

Most experts on cost reimbursement have been critical of this traditional method of paying for hospital care, arguing that it permits and encourages inefficiency on the part of heath care providers. In 1983, the Congress and the Administration agreed to implement a prospective payment system for hospital care provided to Medicare beneficiaries. This change was intended to encourage hospitals to operate with greater efficiency which would lower health care costs and Medicare expeditures.

Since its implementation in 1983, questions have arisen about the impact this new payment system is having on the quality of care afforded Medicare beneficiaries. The hearing revealed the presence of a number of problems in the state of Arizona.

At its hearing, the Subcommittee heard from a range of witnesses who identified quality and access problems linked to the new DRG system. The Subcommittee was told by private citizens and representatives of the senior citizens of instances of suspected premature discharges of Medicare patients from the hospitals since the imposition of a set fee per case. State and federal officials and Arizona health care providers told the Subcommittee that the demand for post-hospital community based services is increasing dramatically under the DRG system.

The hearing pointed to the need for close Congressional oversight of the implementation of this new Medicare payment system to ensure that the system is providing quality care to older Americans and that older Americans are not endangered by efforts to contain rising health care costs.

FRAUDULENT CREDENTIALS

The Subcommittee on Health and Long-Term Care first studied the issue of fraudulent practitioners at a 1984 hearing on phony doctors. At that hearing it was learned that as many as 10,000 doctors around the country were operating with fraudulent or bogus medical credentials. In the wake of the 1984 hearing, the Subcommittee received numerous letters and calls from all over the U.S. regarding experiences with phony practitioners—not confined to the medical profession but in all occupations.

In an effort to determine the nature and extent of fraudulent credentialing in the country, the Subcommittee on Health called upon the Subcommittee on Housing and Consumer Interests to undertake a joint investigation. The results of that investigation were released in a report by the Chairmen at a hearing convened in December, 1985 on "Fraudulent Credentials."

The results of the investigation were truly disturbing. The Subcommittees found that the promotion and purchase of academic degrees in a fraudulent fashion is widespread and increasing—about 500,000 Americans have secured, and many are employed on the basis of, credentials they purchased but did not earn. The victim of phony pracititioners is society; those employers who rely on empty credentials are cheated; so too are patients, clients and colleagues of such paper phonies; and some legitimate "schools without walls" are also the victims of such exploitation.

Unfortunately, older Americans are the most common victims of the most dangerous type of fraudulent pracitioner—the fraudulent medical pracitioner—as seniors utilize health services 3 times more often than their younger counterparts and are hospitalized at 2 and a half times the rate of those under the age of 65. Older Americans pay the lion's share of the public's portion of our nation's health care bill and are more likely to line the pockets of phony doctors and other health practitioners than any other segment of the population.

In an effort to determine the facility with which a degree can be secured, the Subcommittee sought and obtained a Ph.D. degree for the Chairman of the Subcommittee on Health by submitting about $1,810 and 4 short book reports to Union University in Los Angeles, California. Also, to determine the facility with which a University could be established, the Subcommittee sought to incorporate a university in the State of Utah which would operate only out of a mailbox. To add legitimacy to the Subcommittee university, staff incorporated an accreditation body for the purpose of accrediting their own University. The Subcommittee was surprised that throughout the process of establishing its university, no background search on the founders was requested, no onsite visits of the University sought, and no questions asked with regard to curriculum required for degrees offered by the new university.

The Chairman has introduced legislation urging that mail fraud statutes be revised and strengthened so as to discourage the proliferation of phony credentials.

THE SUBCOMMITTEE ON HOUSING AND CONSUMER INTERESTS

The Subcommittee on Housing and Consumer Interests is responsible for oversight and investigative activities on a wide variety of policy issues affecting the housing and consumer needs of older Americans.

Consistent with its responsibilities, the Subcommittee oversees the implementation, by the Executive Branch, of a score of Federal programs within its jurisdiction. One of the major housing programs that receives Subcommittee attention, the Section 202 direct loan program for the elderly and handicapped, has produced over 100,000 units of rental housing since its inception in 1974. Additionally, both the public housing and Section 8 progams which have produced over 1.2 million units of low-income housing for older persons have been included in the Subcommittee's focus. Other major Federal housing programs serving the elderly include: the congregate housing services program and the mortgage insurance program administered by the Department of Housing and Urban Development (HUD); the Section 504 and Section 515 programs administered by the Farmers Home Administration in the Department of Agriculture; and the verterans' loan guarantee program administered by the Veterans Administration.

Because of the interrelationship between energy problems faced by older persons and other housing and consumer concerns, the Subcommittee also oversees the low-income home energy assistance and weatherization programs administered by the Department of Health and Human Services and the Department of Energy, respectively.

In the areas of consumer issues, the Subcommittee's involvement is largely focused on the activities of the Federal Trade Commission, the Consumer Product Safety Commission, and the Food and Drug Administration. In general, these agencies have been charged with implementing the major consumer protection laws affecting the elderly. In recent years, the Federal Communications Commission has received special attention by the Subcommittee because of new regulatory policies governing telephone services which resulted from the deregulation of the industry. Finally, the Subcommittee is also responsible for examining consumer oriented problems encountered by the elderly in utilizing Federal health programs such as Medicare and Medicaid.

THE FEDERAL BUDGET AND ELDERLY HOUSING

Over the past five years, a major emphasis in the area of public policy has been a reduction in the federal government's role in providing housing assistance. Since 1980, fiscal changes have resulted in a 70 percent cut in annual budget authority for low-income

housing programs. Many of these changes have had a negative impact in the area of elderly housing.

In stark contrast to these budgetary facts, current demographic projections indicate that the number of older persons is increasing. As this population expands and changes over time, the need for affordable housing, as well as new housing options is also likely to increase.

In February, 1985, the Reagan Administration submitted its fiscal year 1986 budget to Congress. The budget proposal called for a two year moratorium on new subsidized housing and the elimination of a number of programs that provided direct emphasis to the elderly, including: rural housing, the congregate housing services program and funds for new public housing construction.

The budget proposal and factors relating to noted demographic and social changes of the elderly, prompted the Subcommittee on Housing and Consumer Interests to examine and access the impact these changes would have on older persons. On March 7, 1985, Chairman Bonker convened a hearing to receive testimony on this issue.

Representatives from the Department of Housing and Urban Development and the Farmers Home Administration presented an overview of their respective budgets. In addition, witnesses from the Congressional Budget Office and nationally recognized aging and housing groups presented data on elderly housing needs, and the impact the proposed budget would have on the ability to meet those needs.

As a result of this hearing, the Subcommittee made a series of recommendations to both the Budget and Appropriations Committees. The major thrust of those recommendations was to maintain current funding levels for federally assisted housing, and to continue those provisions which provided special emphasis towards meeting the needs of older persons.

In addition to the hearing, the Subcommittee provided staffing for the Chairman and several of the members in reviewing the reauthorization of housing programs contained in H.R. 1, and in assessing the impact of the Deficit Control Act of 1985 (Gramm-Rudman Proposal) on the future of assisted housing.

SECTION 202 ELDERLY HOUSING

Over the years, the Section 202 program has become the most visible federal financing vehicle for building rental housing for older persons which has enabled them to remain self-sufficient and independent in our society. The program has been targeted to meet the unique needs of the elderly and handicapped by incorporating congregate space and special design features into the projects.

Under the Section 202 program, the federal government makes direct loans to private, non-profit sponsors to use in developing housing that is specifically designed to meet the needs of the low-income elderly and handicapped. Construction financing as well as permanent financing is provided by the program. A Section 8 rent subsidy is made available for each unit of Section 202 housing to assure that rents will be affordable to low-income persons.

On June 17, 1985 the Subcommittee held a field hearing in Bordentown, New Jersey to examine the effect that the proposed HUD budget would have on low and moderate income housing for the elderly in New Jersey. Witnesses outlined the importance of the Section 202 program and called for continued federal commitment to the program. Congressman Smith noted that even at current funding levels, approximately two million low income persons in the nation eligible for federal housing assistance are still not served by federal programs.

HOME EQUITY CONVERSION

Today, nearly 13 million of this nation's homes are owned by older Americans. For the majority of these homeowners, the equity they have accumulated represents their single largest asset. With few exceptions, these individuals have been unable to take advantage of the equity they have acquired over the past 30 to 50 years.

Much attention has been given in recent years to financial arrangements which would permit aged homeowners to convert part of their equity into cash, without having to leave their dwellings. These home equity conversion plans offer a choice to elderly persons facing expenses that have grown proportionately faster than their incomes. Additionally, these plans could provide funds to allow older persons to pay for needed home maintenance, support and other services.

Although the basic forms of home equity conversion plans have been in existence for a number of years, truly workable instruments have not yet become widely available. Among the major reasons cited for this lack of interest is that the combination of financial benefits and risks associated with the plans has not been sufficiently attractive to older consumers who might be able to take advantage of such plans.

Over the last several years, the Subcommittee has been actively involved in research and congressional oversight to assure the development of high quality home equity conversion plans. On January 28, 1985, the Subcommittee co-hosted a briefing with the Senate Special Committee on Aging on home equity programs. The briefing was directed at Congressional staff, and representatives of aging, consumer, housing and lending organizations, and was designed to provide policy makers with a better understanding of the roles that the public and private sectors can play in making equity conversion arrangements available to older persons. During the briefing, a series of expert panelists presented papers covering a wide variety of aspects involved with equity conversion plans. These papers have since been published as a joint House-Senate Committee print entitled Home Equity Conversion: Issues and Options for the Elderly Homeowner.

CONGREGATE HOUSING SERVICES

It is estimated that over forty-two percent of those persons residing in federally-assisted housing are over the age of 62. While these older Americans may not need supportive services upon entering a Section 202 or public housing project, as they age and become more frail their need for additional assistance increases dramatically.

Providing congregate services such as meals, housekeeping services, and personal care assistance may help these residents who are "aging in place" retain their independence and reduce the need for premature institutional placement.

The Congregate Housing Services Act of 1978 authorized HUD to award grants to public housing authorities and Section 202 housing sponsors to provide meals and supportive services for elderly and handicapped residents. The Congregate Housing Services Program (CHSP) currently has 62 operating projects which serve about 1,727 elderly people across the country.

On October 2, 1985, the Subcommittee held a hearing entitled "Maximizing Supportive Services for the Elderly in Assisted Housing: Experiences from the Congregate Services Program," to assess the impact of the CHSP. Prior to the hearing, preliminary HUD data indicated that CHSP services can be provided at a lower cost than similar services found in the wider community. Testimony presented at the hearing highlighted three major points:

—The CHSP demonstration project made service providers more responsive to residents and provided care at one-third the cost of nursing homes.

—Existing projects have long waiting lists and that demand for services is likely to increase in future years as the elderly population increases.

—Providing an intermediate source of care for the elderly poor could delay their entry into nursing homes and ultimately reduce Medicaid costs.

As a result of this hearing, Chairman Bonker called for a thorough evaluation of the cost effectiveness and efficacy of providing congregate services in federally-assisted housing.

TELEPHONE RATES AND OLDER CONSUMERS

Since the break-up of the American Telephone and Telegraph Company (AT&T), complete affordable telephone service is no longer guaranteed to consumers. Both policy-makers and citizens organizations are concerned that increasing costs will force some people to discontinue telephone service completely. A 1983 CBS/New York Times poll found that fully half of those interviewed over 65 years of age said that they would discontinue their telephone service if their rates doubled.

Beginning in 1983, the Subcommittee held several hearings on the issue of Telephone Service and the Elderly. The purpose of these oversight hearings was to gather information concerning the possible adverse effect that the recent divestiture of AT&T and modification of federal regulatory policies which govern industry behavior have had on low-income elderly consumers.

Through these hearings, the Subcommittee discovered the following: 1) the elderly are particularly vulnerable to increases in telephone rates since so many live on low or fixed incomes; 2) there is a serious lack of accurate, understandable information about the changing telephone system available to older consumers; and 3) many reports confirm that the elderly have been forced by higher rates to cut down or curtail their phone use.

In an effort to alleviate some of the confusion, the Subcommittee, in cooperation with the American Association of Retired Persons (AARP) drafted an information booklet entitled "Five Ways to Cut Your Phone Costs." The request for this document has been phenomenal. Since its publication in October 1984, the Subcommittee has mailed well over 100,000 copies of the booklet to interested persons.

Throughout 1985, the Subcommittee continued its research on a model rate structure and continued to provide analysis for the Chairman on major legislative and regulatory proposals in the area of established "lifeline" rates for low-income residential customers.

CONSUMER HEALTH CARE ISSUES

The administration of the medicare prospective payment system (PPS) has generated many comments and suggestions by the health care community. Since 1983, many health care consumer groups, hospital administrators, and Medicare physicians have contacted the Subcommittee about their problems with the prospective payment system. Based on the information collected by Subcommittee staff, the Ranking Minority Member, Mr. Hammerschmidt, introduced three bills which respond to some of these concerns.

The first bill, H.R. 3781, would require the Secretary of HHS, by regulation, to take into account the relative severity of illness within particular diagnosis related groups (DRGs). The second bill, H.R. 3782, extends to providers and practitioners the same right of appeal that is available to Medicare recipients. It has been suggested that many claims are denied by the Professional Review Organization (PRO) because the participants in the decision-making process are not using the same standards to make decisions. This results in delays and unnecessary denials. Many of these denials are administratively based and not clinically based. The third bill, H.R. 3783, would require that each PRO develop its own training model in accordance with its state developed criteria and federal regulations. Training would involve all of the individuals that are a part of the decision-making process.

The Ranking Minority Member also worked closely with pharmacists and consumer groups to delay the Health Care Financing Administration's (HCFA's) implementation of a new policy that would significantly reduce reimbursement paid for prescription drugs under the Medicaid program. Retail pharmacists and advocates for the low-income elderly voiced concerns that the proposed changes in reimbursement could have a detrimental impact on the low-income elderly and could cause some pharmacies to go out of business. This could leave some rural and inner city areas without pharmacies which accept Medicaid. HCFA has subsequently decided to allow the states to develop their own methodology for drug pricing.

FRAUDULENT CREDENTIALS

As our Nation continues to age, and dramatic technological changes occur, the proliferation of an expanded service industry to meet the needs of this population is emerging. The necessity for comprehensive social and health services, as well as new housing

and living environments will increase the demand for qualified professionals. At the same time, investigative studies by a number of Federal agencies have shown that the number of individuals with fraudulent credentials who are providing professional services is also on the rise.

On December 11, 1985, the Subcommittee held a joint hearing with the Subcommittee on Health and Long Term Care. The purpose of this hearing was to examine the increasing problem of individuals operating in a variety of professions who have obtained and are using fraudulent credentials, which span the full range of occupations—from architecture to medicine. Although this problem affects our entire population, it is the elderly who are especially vulnerable to those individuals who profess expertise but possess only bogus credentials.

In addition to the hearing, the Subcommittees will publish a joint Chairmen's report entitled, Fraudulent Credentials, which detailed the nature and extent of the problem, and provided recommendations for future corrective action.

TRUST FUND LEGISLATION

In the current debate over the federal budget deficit, social security and other trust fund programs have been prime targets for cuts. To ensure that these programs are not tampered with during future budget debates, the Chairman introduced legislation during this session (H.R. 2599) which would remove all of the trust funds from the unified budget and once again make them independent as they were prior to 1969.

Subcommittee on Human Services

The Subcommittee on Human Services has as its primary responsibility the overseeing of key federal programs providing social and human services to the elderly, most notably the Older Americans Act and the Social Services Block Grant.

The Subcommittee's task has been to secure the continued availability of programs for the elderly that will assist them in maintaining self-sufficiency and avoiding premature institutionalization. Our efforts have focused upon working to avert proposed budget cuts in key programs, as well as identify need for community and institutional-based services. The major federal programs which provide assistance in this area include the Older Americans Act, the Social Services Block Grant, the Community Services Block Grant, the Low-Income Energy Assistance Program, Legal Services Corporation, ACTION agency programs (Older American Volunteer Programs and VISTA) and other programs which serve the social and economic needs of the elderly.

The Subcommittee has an active working relationship with the House Education and Labor Committee as a result of the Chairman's position as a senior member of that Committee. As a result, the Subcommittee has been successful in bringing a number of recommendations on human services to legislative consideration as a result of this dual membership on both Committees.

Consequently, the Subcommittee dedicated a clear majority of its time and energies on the oversight of the 1984 reauthorization of the Older Americans Act from virtually all perspectives.

In addition to the Older Americans Act, the Subcommittee conducted a number of activities which centered on securing social and supportive services for the elderly. We continued to identify the related services required by victims of Alzheimers disease, an area of ongoing Subcommittee interest since 1983 when the Subcommittee first conducted a hearing to examine possible causes of the disease.

HEARINGS HELD DURING THE 99TH CONGRESS, 1ST SESSION

The subcommittee held five hearings in 1985. They were as follows:

1/14/85 Medicare Options for 1985 (New York, NY);
3/14/85 Regulations to Implement the 1984 Older Americans Act Amendments (Part I);
4/25/85 Regulations to Implement the Older Americans Act (Part II);
9/10/85 The Long Term Care Ombudsman Program;
9/30/85 Home Health Care—Its Present and Its Future (New York, New York.)

Older Americans Act

REGULATIONS

The Subcommittee conducted two hearings to receive the proposed regulations to the Act from AoA and to force compliance with the provisions of the Act which requires promulgations of regulations within 60 days of enactment. As a result of these activities, proposed regulations were published for the first time since 1978. The Subcommitteee filed formal comments with AoA and solicited comments from the aging network that were included, where appropriate. Special effort was focused upon the provisions of the proposed regulations addressing advocacy of state and area agencies on aging to assure that there was no effort to dilute the intent of Congress in Sections 305 and 306 of the Act dealing with advocacy.

TITLE V

In November, the Secretary of the Department of Labor promulgated regulations for the Title V program (the Senior Community Service Employment Program). The Subcommittee requested that the Department of Labor conduct a briefing for staff on the meaning and impact of the regulations. In order to assure the widest possible comment on the regulations, the Subcommittee requested an extension of the comment period for an additional thirty days, a request which was granted by the Department of Labor. The Subcommittee filed formal comments with the Department of Labor after soliciting information from the aging network.

In addition, at the request of the Department of Labor, staff met with Title V program auditors to discuss legislative intent of Congress in various provisions in Title V.

Recently, the Subcommittee has undertaken investigation of alleged practices which have led to differential payment for those participating in the Title V program. The Subcommittee has sent a letter to Secretary Brock requesting an investigation of allegations of wage discrimination.

LONG-TERM CARE OMBUDSMAN PROGRAM

In honor of the tenth anniversary of the program, the Subcommittee conducted an oversight hearing on the long-term care ombudsman program under the Act. Testimony received from recipients of services, state directors and representatives from the ombudsman program was used to begin drafting legislative changes to the program. Ongoing meetings have been conducted with the ombudsman community with the intent to propose legislative change to strengthen the independence of the program. A discussion draft has been provided to key representatives for review and comment with the intent to introduce legislation early in 1986.

EXPANSION OF SUPPORTIVE SERVICES

The Subcommittee has played an active role in promoting the expansion of supportive services under Title III(B). In response to reports from a number of states, the Subcommittee has monitored

the impact of the DRG system under Medicare and its subsequent impact upon supportive, community-based services under Title III.

The Subcommittee conducted a field hearing in New York in September to assess the current status of home care programs under the Act as a result of the DRG system. Testimony was received from service providers and recipients on the current state of home care and provided recommendations for the Committee's consideration as we monitored premature discharges into communities and their impact upon community-based programs.

The Subcommittee also continued to monitor the impact of the transfer provisions of the 1981 amendments which allowed states the flexibility to transfer OAA funds between service categories.

ADVOCACY

We continued to monitor the impact of the Office of Management and Budget's Circular A-122 upon aging network advocacy activities. A bipartisan letter was initiated by the Subcommittee to OMB to assess the status of their revision. Response was disseminated to the aging network in conjunction with activities related to revised 1984 regulations. The Subcommittee continues to work closely with the network and Washington-based advocacy organizations in this matter.

FY 86 BUDGET

In addition, the Subcommittee reviewed and assessed the impact of the President's proposed FY 1986 budget upon older Americans. Information was provided to interested parties and appropriate committees for guidance during FY 86 budget and appropriations process.

STAFF SUMMARY

The Subcommittee released its revision of the Older Americans Act "Staff Summary," which included provisions and related data from the 1984 reauthorization of the Act. The summary was revised to include a number of tables from the Administration on Aging related to service provision as well as timely information on key members of the "aging network." It also included preliminary findings from the Subcommittee's national nutrition survey of home-delivered meals programs. The report was disseminated to the aging network nationally as well as to key Administration, state and local government entities. In addition, the Subcommittee provided information from the nutrition survey to the appropriate legislative committees in order to generate support for increased funding for key programs.

COMPENDIUM OF PAPERS IN HONOR OF 20TH ANNIVERSARY

The Subcommittee published a collection of papers in honor of the 20th anniversary of the Act. Papers were solicited from framers of the original Act and those that have played an historical role in its development and implementation. Copies of the report were disseminated to the aging network.

PATIENTS' RIGHTS

Recent concerns about the quality of care under the Prospective Payment System has led the Subcommittee to actively involve itself in the area of patients' rights as patients continue to be released prematurely into the community. In October, the Ranking Minority Member introduced legislation that would provide a mechanism for informing Medicare patients of their rights upon admission to a hospital. As a follow-up to that initiative, the Subcommittee has also contacted the Department of Health and Human Services requesting that the Secretary require the Social Security Administration to inform individuals of their rights under Medicare at the time that they enroll in the program.

The Subcommittee is also involved in the area of Long Term Care Patients' Rights. The Subcommittee is currently drafting legislation that will be introduced after the first of the year which will address this issue and strengthen the role of the Long Term Care Ombudsman as well as reassert the legal rights of the institutionalized elderly.

The Subcommittee is also examining ways in which to make the Medicaid rules for eligibility less stringent with respect to the income of couples where one must be institutionalized. In these cases, the person who remains in the community is often impoverished.

ECONOMIC SECURITY

Economic security is essential to social, physical, and emotional well-being. As a consequence, the Subcommittee has been very active in working to assure the integrity of the Social Security system. Earlier in the year, during the first rounds of the budget process, a freeze in the Social Security cost-of-living adjustment (COLA) was proposed as a means of dealing with the budget deficit. The Subcommittee worked to assure that the COLA would not be frozen or reduced by supporting legislation and cosigning numerous letters. Both the Chairman and the Ranking Minority Member have actively worked to take Social Security off the budget and make it a separate administrative agency. During the recent disinvestment of the Social Security system, the Subcommittee has actively sought to redress this problem by legislation that would prohibit disinvestment in the future and would restore the system to its previous level.

ELDER ABUSE

The Subcommittee continued to compile a major report on elder abuse as a follow-up to the 1980 report published by the Full Committee which first brought the subject to national attention. The report included the findings of a 1982 survey conducted by the Subcommittee on shelters for victims of family violence on the level of services provided to the elderly. The report also summarized major legislative actions accomplished since the 1980 report and the four hearings conducted by the Committee during the 96th Congress. Finally, the report also surveyed the literature on the subject and made federal, state/local and private sector recommendations, with

specific attention to national incidence study required of HHS as a result of the Child Abuse Prevention and Treatment Amendments of 1984.

The genesis for the report was the two major legislative accomplishments in this area in the 98th Congress, initiated by the Chairman. The first was the passage of the Family Violence Prevention and Services Act, which provides services to victims of elder abuse as well as requires a national incidence study to assess the scope and magnitude of the problem.

The second legislative accomplishment was the inclusion of language allowing services to victims of elder abuse through area agencies on aging as part of the Older Americans Act reauthorization. Both of these programs mark the first legislative response since the Committee first revealed the problem in 1979.

In addition, the Subcommittee worked with the Select Committee on Children, Youth and Families to petition the Secretary of Health and Human Services to issue regulations to implement this program. Meetings were conducted with Justice Department officials to review program options for training of law enforcement officials as provided for in the Family Violence Prevention and Treatment Act. Information on the Committee activities on crime and the elderly was provided as background.

ALZHEIMER'S DISEASE

The Subcommittee remains committed to emphasizing the problems of Alzheimer's victims and their families. Close communication between members of the Alzheimer's community and the subcommittee has continued.

In January, numerous pieces of legislation were introduced which addressed the support services needed by families with Alzheimer's victims and the problems of Alzheimer's disease in the Veteran's Administration. Staff actively worked to include tax credits for the care of Alzheimer's disease victims in the Ways and Means tax bill. Additionally, they helped to draft a bill that would include a tax credit for families who provide home care, adult day and respite care, and nursing home care for their family members with Alzheimer's.

Initial planning is underway with the Office of Technology Assessment to develop two seminars in the area of Alzheimer's disease. One seminar will address the issues of health service research and the other will focus on issues of long-term care financing for Alzheimer's disease. This will be sponsored jointly with the Subcommittee on Aging of the Senate Committee on Labor and Human Resources.

LEGAL SERVICES

The impact of the client eligibility regulations revised by the Legal Service Corporation in 1983 continued to be monitored. Ongoing meetings were held with representatives from the legal services community to review interaction of programs operated through the Older Americans Act and the LSC.

EMPLOYMENT/PENSIONS

The Subcommittee monitored the impact of the 3 percent set aside in the Job Training Partnership Act for older workers. Guidance was provided to state and local agencies which administer the program. On-site inspections of job projects were conducted and recommendations were made to officials on coordination with Title V under the Older Americans Act.

In conjunction with the Full Committee, efforts continued to promote legislation to require the accrual of pension benefits for workers over the age of 65. Legislative action by the authorizing committee is anticipated in 1986.

The Chairman also participated in activities initiated by the Subcommittee on Employment Opportunity of the House Education and Labor Committee, on mandatory retirement and age discrimination. Special attention was focused on the issue of mandatory retirement and exemption for tenured college faculty. A number of legislative proposals were reviewed.

The Subcommittee was also responsible for the adoption of a program to provide model centers in vocational education for older Americans as part of the reauthorization of the Vocational Education Act by the House Education and Labor Committee. This proposal was based on legislation introduced in the 98th Congress by Aging Committee member William Ratchford and was the subject of a hearing by the Education and Labor Committee's Subcommittee on Elementary and Secondary Education, of which the Chairman was a member. The Subcommittee both established legislative history in the FY86 Appropriations bill to require funding of this provision by the Department of Education and worked with employment and training officials from the aging network to develop proposals in this area.

VETERANS ISSUES

The Subcommittee explored legislative options to assist aged veterans and to better coordinate veterans and other social services with communities in order to avoid duplication. A number of legislative proposals were advanced to expand Alzheimer services in VA hospitals by the Ranking Minority Member. Formal comments were solicited from the VA on coordination of VA and non-VA aging services at the community-based level, with special emphasis on services under the Older Americans Act.

PRESCRIPTION DRUG COSTS

In response to a 1984 hearing, the Subcommittee continued to promote the Chairman's legislative proposal to assist the elderly with drug payments, recognizing the impact of such costs on those with fixed incomes.

PEER REVIEW

The Subcommittee has remained concerned that Medicare patients receive a high quality of care in spite of efforts which have been made to reduce the cost of that care. The continuing pressure on the community to supplement care has created numerous

strains in the system of community-based care. In line with that, the Subcommittee has monitored the Peer Review Process which is responsible for maintaining quality control under the Prospective Payment System. A particular concern has been the effect of locating the organization responsible for peer review outside the state in which the review is being done. Staff has had discussions with the Health Care Financing Administration, both the national and regional offices, as well as the Maine PRO in an effort to address issues of quality control.

EDUCATIONAL FORUMS

In keeping with its role of education, the Subcommittee has embarked upon a series of educational forums examining issues of concern to the elderly. In November, the Subcommittee sponsored a forum on "Economic Equity and the Older Women" which was attended by Hill staff and members of community groups. Plans call for these to continue with the first one in the new year focusing on the family caregiver.

OSTEOPOROSIS

In January, the Ranking Minority Member introduced H.J. Res. 46 establishing the week of May 20–26 as "National Osteoporosis Awareness Week." In early May the bill passed both Houses and was signed into law by the President. The Subcommittee has worked with numerous community groups and Congress to promote information on Osteoporosis. The Ranking Minority Member developed a newsletter on the subject of Osteoporosis for distribution to her constituency, distributed a "Dear Colleague" requesting that Members tape public service announcements on Osteoporosis for their local communities, and has actively monitored developments in the use of densotometry and therapeutic treatment of this disease.

RELATED PROJECTS

The Subcommittee continued to provide guidance and information to aging network officials, Members of Congress and the media on matters related to the aged. Information obtained by the Subcommittee was disseminated on a regular basis to interested parties through the Subcommittee's 3500-name mailing list. Staff actively participated in meetings and conferences convened by related organizations and maintained an ongoing dialogue with key aging policy officials nationwide on matters related to the Subcommittee's jurisdiction.

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